

TATA STEEL*Strong quarter*

■ Volume growth and better-than-expected realisations drive profitability

Tata Steel reported revenues of INR 63.1 bn and net profit of INR 11.9 bn in Q3FY10, on a standalone basis. The same were greater than our estimates of INR 58.5 bn and INR 10.5 bn respectively. On sequential basis, Tata Steel's blended realisation, at INR 39,508/t, was ~INR 500/t ahead of our expectation. Sales volume increased 9.6% Q-o-Q to ~1.6 mt. However, EBITDA/t was flat Q-o-Q at INR 13.1k/t due to certain one-off items (details below).

■ Costs under control

Tata Steel's effective raw material cost (includes stock and semis) per tonne decreased ~2% from INR 9,759/t in Q2FY10 to INR 9,547/t in Q3FY10. On a Y-o-Y basis, effective raw material cost per tonne dipped ~4%. The negative surprise was on account of 24.9% and 13.1% Q-o-Q increase in staff costs and other expenses, which, however, were largely due to one-time items.

■ Announcement of JV with Nippon Steel

Tata Steel announced a JV with Nippon Steel for auto grade CR steel with an initial capacity of 0.6 mtpa. The agreement is expected to be signed by June 2010 and operations to start prior to March 2013. Considering this long gestation, we do not see any impact of the JV on our projected financials or valuation.

■ Outlook and valuations: On a strong footing; maintain 'BUY'

Q4FY10 will see benefit from the price hikes taken by Tata Steel India late Dec 2009/early Jan 2010. As per our estimates, the price hikes range between INR 1,750/t and INR 4,000/t across product categories. The quarter is also expected to see volumes rise 8% Q-o-Q to 1.7 mt in India. For European operations, in Q3FY10, management has indicated that capacity utilisation has risen to ~83% and is expected to rise further in Q4FY10.

Corus has announced price hikes of at least GBP 60/t for long products with immediate effect. We expect FY11 to see better-than-expected pick up in demand in Europe. Further, Tata Steel will, for both its Indian and European operations, use low cost coking coal up to part of Q2FY11 while most other steel players would have exhausted this inventory by Q4FY10 itself. We are introducing FY12 estimates and maintain our positive view on the stock with a '**BUY/SO**' recommendation/rating. Based on FY11E, our valuation works out to INR 667/share for Tata Steel.

Financials (Standalone)

Year to March	Q310	Q210	% change	Q309	% change	FY09	FY10E
Revenues (INR mn)	63,075	56,921	10.8	48,021	18.5	243,158	255,046
EBIDTA (INR mn)	20,895	19,222	8.7	14,780	30.1	91,334	85,931
Net profit (INR mn)	11,918	9,029	32.0	4,662	93.7	52,017	35,233
Diluted EPS (INR)	13.4	10.2	32.0	6.4	59.5	71.2	39.7
Diluted PE (x)						8.1	7.0
EV/EBIDTA (x)						6.1	5.5
ROE (%)						19.1	19.0

January 29, 2010

Reuters : TISC.BO Bloomberg : TATA IN

EDELWEISS 4D RATINGS

Absolute Rating	BUY
Rating Relative to Sector	Outperformer
Risk Rating Relative to Sector	Medium
Sector Relative to Market	Equalweight

Note:
Please refer last page of the report for rating explanation

MARKET DATA

CMP	:	INR 569
52-week range (INR)	:	661 / 148
Share in issue (mn)	:	887.2
M cap (INR bn/USD mn)	:	496/10,704
Avg. Daily Vol. BSE ('000)	:	14,161.4

SHARE HOLDING PATTERN (%)

Promoters*	:	31.2
Govt.	:	27.1
MFs, FIs, Banks & FIIs	:	16.9
Others	:	24.8
* Promoters pledged shares (% of share in issue)	:	13.3

PRICE PERFORMANCE (%)

	Stock	Nifty	EW Metals & Mining Index
1 month	(9.1)	(6.3)	(9.2)
3 months	11.7	0.1	11.1
12 months	238.6	75.1	219.7

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- **Key takeaways from earnings conference call**

- **Existing capacity utilisation has increased to over 100% in Dec 09**

- Tata Steel produced saleable steel of ~0.6 mt in Dec 2009, i.e., 7.2 mt on annualised basis, its highest ever production. The company mentioned that this was a sustainable run-rate going forward, but did not provide guidance for FY11.

- **Healthy volumes and realisations**

- For Q3FY10, the company produced and sold 1.7 mt and 1.6 mt of steel, respectively, of which flats were 0.9 mt and longs were 0.7 mt. Average realisations of flats and longs were INR 31k/t and INR 26k/t for the quarter. At company level, blended realisation is much higher due to variety of other revenue streams such as from tubes, ferro alloys, scrap sales and tinplate conversions.

- On Y-o-Y basis, Tata Steel's top line rose 31.3% Y-o-Y driven by a 49% Y-o-Y rise in sales volume. However, realisations were lower by 11.8% Y-o-Y. The mixed impact of rise in volumes coupled with decline in realisations led to 5% Y-o-Y decline in EBITDA/ t. Net profits for the quarter increased 101% Y-o-Y.

- **One off items in staff costs and other expenses impacts profits**

- Staff costs increased Q-o-Q due to provisions made for potential wage settlement while other expenses increased due to the swap of 56% of the outstanding CARS into FCCB—CARS were at USD:INR exchange rate of INR 40 while the exchange rate at the time of this swap was INR 46, thereby effectively leading to a crystallised forex loss of INR 1,850 mn.

- **Other income rises Q-o-Q to INR 3,310 mn**

- The company's other income rose from INR 85 mn in Q3FY09 (INR 761 mn in Q2FY10) to INR 3,310 mn in the current quarter, which was largely due to proceeds from sale of Tata Motors' shares in Q3FY10. This, coupled with a slightly lower tax rate, resulted in net profit of INR 11.9 bn, a Y-o-Y rise of 155.6%.

- **Brownfield expansion of 2.9 mtpa: A quarter's delay from earlier schedule**

- The brownfield expansion of 2.9 mtpa will be completed in phases starting with the blast furnace, steel-making, and finishing capacities over April 2011 to December 2011. The company mentioned that in Q4FY12 the new capacity could operate at full capacity.

- **Low cost coking coal to continue up to Sep-Oct 2010**

- The low cost coking (@ FOB cost of USD 129/ t) is fully contracted for the current volume levels and is sufficient up to Sep-Oct 2010. For Q3FY10, the landed cost of imported coal is USD 160/ t which implies a small proportion of high cost coal of USD 300/ t. Imported coal proportion continues to be at 35%; captive coal at 65% proportion has a landed cost of USD 30/ t.

- **Debt of INR 34 bn prepaid/to be prepaid in H2FY10**

- In Q3FY10, Tata Steel has prepaid debt of INR 16-18 bn and a similar amount is proposed to be prepaid in Q4FY10. Net debt has reduced from INR 242 bn in Sept 2009 to INR 220 bn in Dec 2009 led by the above prepayment and is expected to drop further as prepayment continues.

- **Industry outlook: No threat from Chinese steel**

- Tata Steel believes the Indian steel industry is on a strong footing and does not see much threat from China since the average steel producer there has higher cost than the average steel producer in India, plus the disadvantage of freight cost. Imports into India are of higher grade steel which the country does not produce and which will continue to be imported.

Other points

- Post increase in iron ore royalty, landed cost of iron ore continues to be low at USD 10/ t. Q3FY10 saw additional royalty of INR 350 mn.
- Spot : contract mix : No change in the mix. Most contracts are in case of flats. For flats, sales on spot, monthly contracts, and other contracts are in proportion of 10%:50%:40% based on volume.

Table 1: Blended EBITDA/t flat Q-o-Q (USD/t)

	Q310	Q309	Y-o-Y chg (%)	Q210	Q-o-Q chg (%)
Blended - Realization/tonne	816	1,023	(20.2)	807	1.1
Steel - Realization/tonne	755	952	(20.7)	737	2.5
Blended EBITDA/tonne	270	284	(4.9)	273	(0.8)
Steel- EBITDA/tonne	286	282	1.4	267	7.1
Blended EBIT/tonne	236	261	(9.5)	236	0.1
Steel- EBIT/tonne	261	247	5.5	239	9.2
EBIT margins (%)					
Steel	34.5	28.8		32.4	
Ferrochrome	21.7	38.1		16.5	

Source: Company, Edelweiss research

Table 2: All-round growth in revenues

	Q3FY10	Q3FY09	% chg (Y-o-Y)	Q2FY10	% diff
Revenue (INR mn)					
Steel	58,325	44,658	30.6	51,937	12.3
Revenue/tonne (INR)	36,534	41,666	(12.3)	35,652	2.5
Sales volume (mn tonnes)	1.60	1.07	49.0	1.46	9.6
FAMD	5,238	3,770	38.9	4,339	20.7
Others	4,100	3,155	30.0	3,761	9.0
Total	67,664	51,583	31.2	60,037	12.7
Eliminations	3,915	3,561	9.9	3,116	25.7
Net revenue	63,749	48,021	32.8	56,921	12.0

Source: Company, Edelweiss research

Table 3: Retaining FY11 EBITDA/t estimates

	FY11E		% chg	% chg (Y-o-Y)	FY12E
	Current	Previous			
Shipments (mn tonnes)	27.1	26.5	2.4	6.6	28.9
India	6.8	6.5	4.6	9.7	7.4
Corus	16.1	15.8	2.1	5.8	17.1
SEA	4.2	4.2	0.0	5.0	4.4
Realisation					
India (Gross- INR / tonne)	37,531	36,074	4.0	5.0	39,032
Corus (USD/tonne)	956	952	0.5	5.0	991
SEA (USD/tonne)	576	576	(0.0)	8.4	630
EBITDA (USD/tonne)					
	138	141	(2.0)	89.0	147
India	370	370	0.0	25.7	398
Corus	66	65	1.7	(921.6)	61
SEA	41	41	(0.0)	(0.4)	59

Source: Company, Edelweiss research

Table 4: Introducing FY12 estimates. Retaining FY11 estimates

	FY11E		% chg		FY12
	Current	Previous	(Curr vs Prev)	Y-o-Y	Current
Revenue	1,097,520	1,071,398	2.4	8.7	1,196,613
India	298,974	290,280	3.0	17.2	349,149
Corus	690,508	673,081	2.6	5.5	728,354
SEA	108,037	108,037	(0.0)	8.1	119,111
EBITDA	168,048	168,730	(0.4)	91.4	182,739
India	112,536	114,985	(2.1)	31.0	126,559
Corus	47,907	46,140	3.8	(925.4)	44,987
SEA	7,605	7,605	(0.0)	(0.6)	11,193
PAT *	65,078	64,929	0.2	6,299.0	75,663
Diluted EPS (INR)	70.3	70.1	0.2	6,299.0	81.7
margins					
EBITDA	15.3	15.7			15.3
India	37.6	39.6			36.2
Corus	6.9	6.9			6.2
SEA	7.0	7.0			9.4
PAT	5.9	6.1			6.3

Source: Company, Edelweiss research

* Core PAT; excludes restructuring charges

Financials snapshot (standalone)

(INR mn)

Year to March	Q310	Q309	% change	Q210	% change	FY09	FY10E	FY11E
Total net revenues	63,075	48,021	31.3	56,921	10.8	243,158	255,046	298,974
Dec/(inc) in stock	423	(6,360)	N/M	(375)	N/M	(2,893)	0	0
Purchase of semis	595	931	(36.1)	327	81.8	3,589	1,513	1,626
Raw material	14,223	16,112	(11.7)	14,265	(0.3)	57,099	70,240	77,765
Staff costs	6,523	5,689	14.7	5,221	24.9	23,058	23,058	24,787
Purchase of power	3,032	2,635	15.0	2,979	1.8	10,914	12,946	14,908
Freight & Handling	3,581	2,622	36.6	3,078	16.3	12,512	13,318	15,703
Other expenses	13,803	11,613	18.9	12,204	13.1	47,544	48,041	51,648
Total expenditure	42,180	33,242	26.9	37,699	11.9	151,823	169,115	186,438
EBITDA	20,895	14,780	41.4	19,222	8.7	91,334	85,931	112,536
Interest	4,157	3,482	19.4	3,920	6.1	11,527	13,487	15,869
Depreciation	2,622	2,513	4.3	2,564	2.3	9,734	10,580	11,427
Other income	3,310	85	3,798.2	761	335.2	3,083	5,085	4,237
PBT	17,426	8,869	96.5	13,499	29.1	73,156	55,648	82,829
Tax	5,508	2,939	87.4	4,470	23.2	21,139	20,415	28,129
Adjusted net profit	11,918	5,930	101.0	9,029	32.0	52,017	42,388	59,090
Extraordinary items	0	(1,268)	N/M	0	N/M	0	(11,301)	(6,648)
Reported net profit	11,918	4,662	155.6	9,029	32.0	52,017	35,233	54,700
Equity capital (FV INR 10)	8,874	7,308		7,310		7,308	8,875	8,875
Outstanding shares (mn)	887	731		731		731	888	888
Basic EPS (INR)	13.4	6.4	110.5	12.35	8.7	71.2	39.7	61.6

as % of net revenues

Raw material	23.2	20.3		24.4		22.3	27.5	26.0
Purchase of goods	0.9	1.9		0.6		1.5	0.6	0.5
Staff costs	10.3	11.8		9.2		9.5	9.0	8.3
Purchase of power	4.8	5.5		5.2		4.5	5.1	5.0
Freight & Handling	5.7	5.5		5.4		5.1	5.2	5.3
Other expenses	21.9	24.2		21.4		19.6	18.8	17.3
EBITDA	33.1	30.8		33.8		37.6	33.7	37.6
Adjusted net profit	18.9	12.3		15.9		21.4	16.6	19.8
Reported net profit	18.9	9.7		15.9		21.4	13.8	18.3
Tax rate	31.6	33.1		33.1		28.9	36.7	34.0

■ Company Description

Established 100 years ago in 1907, Tata Steel is Asia's first and India's second largest private sector steel company. With the take over of Corus Steel (Europe's second largest steel producer), Tata Steel is now the sixth largest steel company in the world with over 31mtpa of steel capacity. Tata Steel's Indian operations are amongst the lowest producers of steel in the world comprising 6.8 mtpa steel making facility at Jamshedpur in Jharkhand.

■ Investment Theme

We believe the worst is behind us for the global steel sector. Steel prices have started increasing starting with China & India followed by hikes in USA and Europe. While low capacity utilization will prevent outsized price rallies, we believe prices will move above marginal cost. Demand is picking up slowly and we expect reasonable recovery in European steel starting from Q2FY10 and going into FY11E. Tata Steel has already taken steps for cost reduction and hits on the P&L for such restructuring. Led by all this, we expect strong earnings growth in FY11E.

■ Key Risks

- Any delay in demand revival and/or renewed slump in European steel.
- Higher than anticipated Chinese/CIS steel exports into Europe.

Financial Statements (Consolidated)

Income statement					(INR mn)
Year to March	FY08	FY09	FY10E	FY11E	FY12E
Net revenue	1,315,359	1,473,293	1,009,617	1,097,520	1,196,613
Accretion to stock	(8,905)	19,759	0	0	0
Raw material costs	333,246	729,377	453,344	460,019	509,370
Purchase of goods	262,698	0	0	0	0
Employee expenses	166,782	179,751	157,464	156,803	160,062
Power and freight	60,052	59,574	87,006	92,406	99,421
SGA and other expenses	321,556	303,556	224,023	220,245	245,022
Total operating expenses	1,135,428	1,292,016	921,837	929,472	1,013,874
EBITDA	179,931	181,277	87,780	168,048	182,739
Depreciation and amortisation	41,370	42,654	42,680	42,649	43,073
EBIT	138,562	138,623	45,100	125,399	139,666
Interest expenses	41,838	32,902	36,261	35,682	34,691
Other income	5,742	2,657	7,771	4,237	4,237
VRS & other expenses	(61,244)				
Profit before tax	163,711	108,378	16,611	93,954	109,212
Provision for tax	40,493	18,940	16,509	29,699	34,290
Core profit	77,122	89,438	102	64,255	74,922
Extraordinary income/(loss)	0	(40,945)	(11,301)	(6,648)	0
Profit after tax	123,218	48,492	(11,199)	57,606	74,922
Minority interest	1,399	1,017	915	823	741
Share of profit of associates	1,682	0	0	0	0
Profit after minority interest	123,500	49,509	(10,284)	58,430	75,663
Preferred dividend	821	1,095	0	0	0
Basic shares outstanding (mn)	731	730	888	888	888
Diluted shares (mn)	822	822	926	926	926
Basic EPS	108.6	122.4	1.1	73.3	85.3
Diluted EPS	96.6	108.7	1.1	70.3	81.7
Dividend per share (INR)	13.0	13.0	10.2	14.2	18.2
Dividend payout (%)	9.0	31.5	(87.4)	26.0	25.5

Common size metrics- as % of net revenues

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Operating expenses	86.3	87.7	91.3	84.7	84.7
Depreciation	3.1	2.9	4.2	3.9	3.6
Interest expenditure	3.2	2.2	3.6	3.3	2.9
EBITDA margins	13.7	12.3	8.7	15.3	15.3
Net profit margins	5.9	6.1	0.0	5.9	6.3

Growth metrics (%)

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Revenues	421.7	12.0	(31.5)	8.7	9.0
EBITDA	150.2	0.7	(51.6)	91.4	8.7
PBT	170.4	(33.8)	(84.7)	465.6	16.2
Net profit	92.5	16.0	(99.9)	62,855.0	16.6
EPS	34.8	12.6	(99.0)	6,299.0	16.3

Metals and Mining

Balance sheet

(INR mn)

As on 31st March	FY08	FY09	FY10E	FY11E	FY12E
Equity capital- Voting shares	7,301	7,301	8,875	8,875	8,875
Preference shares	54,725	54,727	0	0	0
Reserves & surplus	279,888	352,757	301,813	345,097	419,278
Shareholders funds	341,914	414,785	310,688	353,973	428,153
Secured loans	354,152	334,471	328,898	285,577	248,857
Unsecured loans	181,775	253,949	254,049	268,586	323,586
Minority interest	8,327	8,327	8,327	8,327	8,327
Deferred tax liability	24,647	24,647	24,647	24,647	24,647
Prov. for VRS	10,801	10,801	10,801	10,801	10,801
Sources of funds	921,616	1,046,979	937,410	951,910	1,044,370
Gross block	1,051,255	1,142,096	1,185,872	1,236,698	1,271,082
Depreciation	631,624	674,278	716,958	759,607	759,608
Net block	419,631	467,818	468,914	477,091	511,474
Total fixed assets	419,631	467,818	468,914	477,091	511,474
Investments	33,777	93,817	11,743	1,933	42,972
Goodwill	180,500	180,500	180,500	180,500	180,500
Loans and advances	154,655	154,655	154,655	154,655	154,655
Inventories	214,094	266,005	173,885	176,446	195,375
Sundry debtors	186,963	209,412	154,900	168,387	183,590
Cash and equivalents	42,316	47,397	32,480	35,308	38,496
Other current assets	16,639	16,639	16,639	16,639	16,639
Total current assets	614,667	694,108	532,560	551,434	588,755
Sundry creditors and others	256,958	319,263	186,306	189,049	209,330
Provisions	71,557	71,557	71,557	71,557	71,557
Total CL & provisions	326,959	389,263	256,306	259,049	279,330
Net current assets	287,709	304,844	276,254	292,385	309,424
Uses of funds	921,616	1,046,979	937,410	951,910	1,044,370
Book value per share (BV) (INR)	468	568	350	399	482

Free cash flow metrics

(INR mn)

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Net profit	123,500	49,509	(10,284)	58,430	75,663
Depreciation	41,370	42,654	42,680	42,649	43,073
Deferred tax	2,985	0	(5,500)	85	140
Others	(13,875)	(2,033)	(1,830)	(1,647)	(1,482)
Gross cash flow	153,979	90,130	25,066	99,517	117,393
Less: Changes in W. C.	19,777	12,055	(13,674)	13,304	13,851
Operating cash flow	134,202	78,075	38,740	86,213	103,542
Less: Capex	825,349	90,841	43,776	50,826	34,384
Free cash flow	(691,147)	(12,766)	(5,036)	35,387	69,159

Cash flow statement

(INR mn)

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Operating cash flow	134,202	78,075	38,740	86,213	103,542
Financing cash flow	205,127	37,544	(69,216)	(43,529)	(618)
Investing cash flow	(461,953)	(150,881)	38,298	(41,017)	(75,422)
Net cash flow	(122,624)	(35,262)	7,822	1,667	27,502
Capex	(825,349)	(90,841)	(43,776)	(50,826)	(34,384)
Dividends paid	(9,478)	(14,950)	(10,591)	(14,745)	(18,898)
Share issuance/(buyback)	48,815	1	(53,152)	0	0

Ratios

Year to March	FY08	FY09	FY10E	FY11E	FY12E
ROAE (%)	35.5	27.0	(0.2)	19.1	19.0
ROACE (%)	24.2	15.1	4.8	13.4	14.3
Inventory (days)	76	117	177	139	133
Debtors (days)	26	49	66	54	54
Payable (days)	85	140	204	149	143
Cash conversion cycle (days)	17	26	39	44	44
Debt/EBITDA	3.0	3.2	6.6	3.3	3.1
Current ratio	1.9	1.8	2.1	2.1	2.1
Debt/ Equity	1.6	1.4	1.9	1.6	1.3
Adjusted debt/Equity	1.6	1.4	1.9	1.6	1.3

Turnover

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Fixed assets t/o (x)	4.7	3.3	2.2	2.3	2.4
Total asset turnover (x)	2.0	1.5	1.0	1.2	1.2
Equity turnover (x)	5.4	3.9	2.8	3.3	3.1

Du pont analysis

Year to March	FY08	FY09	FY10E	FY11E	FY12E
NP margin (%)	5.8	5.9	(0.1)	5.8	6.2
Total assets turnover	2.0	1.5	1.0	1.2	1.2
Leverage multiplier	3.1	3.0	3.0	2.8	2.6
ROAE (%)	35.5	27.0	(0.2)	19.1	19.0

Valuations parameters

Year to March	FY08	FY09	FY10E	FY11E	FY12E
Diluted EPS (INR)	96.6	108.7	1.1	70.3	81.7
Y-o-Y growth (%)	34.8	12.6	(99.0)	-	16.3
CEPS (INR)	166.6	179.5	41.0	119.6	132.3
Diluted P/E (x)	5.9	5.2	518.0	8.1	7.0
Price/BV(x)	1.2	1.0	1.6	1.4	1.2
Market cap/Sales (x)	0.3	0.3	0.5	0.5	0.4
EV/Sales (x)	0.7	0.6	1.0	0.9	0.8
EV/EBITDA (x)	5.2	5.1	12.0	6.1	5.5
Dividend yield (%)	2.3	2.3	1.8	2.5	3.2

Company	Absolute reco	Relative reco	Relative risk
Hindalco Industries	Buy	SO	M
Hindustan Zinc	Buy	SO	L
Jindal Steel & Power	Hold	SU	M
JSW Steel	Hold	SP	H
National Aluminium Company	Reduce	SU	M

Company	Absolute reco	Relative reco	Relative risk
Sesa Goa	Hold	SO	L
Steel Authority of India	Hold	SP	L
Sterlite Industries (India)	Buy	SP	L
Tata Steel	Buy	SO	M

ABSOLUTE RATING

Ratings	Expected absolute returns over 12 months
Buy	More than 15%
Hold	Between 15% and - 5%
Reduce	Less than -5%

RELATIVE RETURNS RATING

Ratings	Criteria
Sector Outperformer (SO)	Stock return > 1.25 x Sector return
Sector Performer (SP)	Stock return > 0.75 x Sector return
Sector Underperformer (SU)	Stock return < 1.25 x Sector return
Sector Underperformer (SU)	Stock return < 0.75 x Sector return

Sector return is market cap weighted average return for the coverage universe within the sector

RELATIVE RISK RATING

Ratings	Criteria
Low (L)	Bottom 1/3rd percentile in the sector
Medium (M)	Middle 1/3rd percentile in the sector
High (H)	Top 1/3rd percentile in the sector

Risk ratings are based on Edelweiss risk model

SECTOR RATING

Ratings	Criteria
Overweight (OW)	Sector return > 1.25 x Nifty return
Equalweight (EW)	Sector return > 0.75 x Nifty return
Underweight (UW)	Sector return < 1.25 x Nifty return
Underweight (UW)	Sector return < 0.75 x Nifty return

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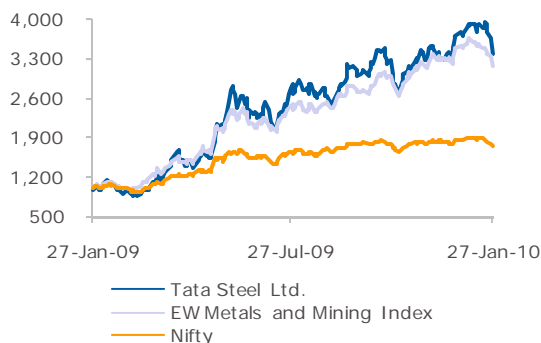
Coverage group(s) of stocks by primary analyst(s): Metals and Mining

Adhunik Metaliks, Hindalco Industries, Hindustan Zinc, Jindal Steel & Power, JSW Steel, National Aluminium Company, Sesa Goa, Steel Authority of India, Sterlite Industries (India) and Tata Steel

Tata Steel



EW Indices



Distribution of Ratings / Market Cap

Edelweiss Research Coverage Universe

	Buy	Hold	Reduce	Total
Rating Distribution*	95	54	11	162

* 2 stocks under review

	> 50bn	Between 10bn and 50 bn	< 10bn
Market Cap (INR)	104	46	12

Recent Research

Date	Company	Title	Price (INR)	Recons
28-Jan-10	SAIL	Positive surprise continues; Result Update	220	Hold
27-Jan-10	Sterlite Industries	In line operating performance; Result Update	770	Buy
25-Jan-10	Hindalco Industries	In line results; Result Update	159	Buy

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